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Summary record of the 7th meeting
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Chairman: Mr. Abelian ..... (Armenia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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The meeting was called to order at 3 p.m.

Agenda item 118: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/53/23)

1. **The Chairman** drew the Committee's attention to a letter dated 9 October 1998 from the President of the General Assembly addressed to the Chairman of the Fifth Committee transmitting, for appropriate action, a letter dated 8 October 1998 from the Permanent Representative of Bosnia and Herzegovina addressed to the President of the General Assembly containing a request for an exception to the application of Article 19 of the Charter (A/C.5/53/23).

2. **Mr. Schlesinger** (Austria), speaking on behalf of the European Union, the associated countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, said that the European Union had joined in the consensus on the requests of Guinea-Bissau and Georgia for a temporary exemption from the application of Article 19 of the Charter, although it had expressed regret that the decision had been taken without thorough consideration and had made it clear that it should not constitute either a procedural or a substantive precedent. The European Union had been able to support the decision because it had been taken without prejudice to Article 19 of the Charter or rule 160 of the rules of procedure of the General Assembly. It had repeatedly stated its wish to tighten the rules for the application of Article 19 to ensure that the disincentive envisaged by the founder Members was properly implemented. That was one of the four key elements of the European Union proposals for improving the Organization's financial situation. Article 19 was the only mechanism currently available for sanctioning States which did not pay their dues on time.

3. Article 19 had a let-out clause for States which were not in a position to pay, and the Committee on Contributions had reviewed the procedural aspects of the consideration of requests for an exemption under Article 19. The European Union would not be able to support any further exemptions under Article 19 without a thorough consideration of the report of the Committee on Contributions, as provided for in rule 160. The proper time for consideration of the issue would be when the Fifth Committee took up the report of the Committee on Contributions.

4. **Mr. Zhang Wanhai** (China) said that his delegation viewed the current difficulties of Bosnia and Herzegovina with sympathy. The Committee had already taken favourable decisions, supported by his delegation, on the requests for exemption submitted by Guinea-Bissau and Georgia. Since all countries suffering economic difficulties should receive equal treatment, the Committee should accede to the request by Bosnia and Herzegovina. The procedure for dealing with such matters did require improvement.

5. **Ms. Topić** (Bosnia and Herzegovina) said that Bosnia and Herzegovina was still suffering the consequences of a deadly conflict which had taken the lives of more than 250,000 persons and had destroyed the country's social structure. In such a devastating situation, the priority for Bosnia and Herzegovina had to be to restore the life of the country, and it bore the additional burden of a debt of over US$ 10 million to international organizations, including the United Nations. Her delegation would much appreciate the Committee's understanding of the complex financial and political issues. Repayment of the debt to international organizations was a high priority for Bosnia and Herzegovina, and it would do its best to resolve the issue.

6. **Mr. Sial** (Pakistan) endorsed the statement made by the representative of China. In view of the difficult circumstances of Bosnia and Herzegovina, the Committee should grant a temporary exemption from the application of Article 19.

7. **Mr. Yussuf** (United Republic of Tanzania) said that his delegation supported the position expressed by the representatives of China and Pakistan. When the Committee had taken its decision to grant an exemption for Guinea-Bissau and Georgia it had created a precedent. It had, in fact, opened a Pandora's box and it was now impossible to deny the request of Bosnia and Herzegovina. He suggested that the meeting should be suspended for a short time to allow for informal discussions.

8. **Mr. Medina** (Morocco) said that his delegation supported the request of Bosnia and Herzegovina.

9. **Mr. Odaga-Jalomayo** (Uganda) said that the General Assembly had opened the Pandora's box and could certainly close it. Since it was probable that more requests for an exemption would be made, the Committee should defer the item until later and take up all the requests at the same time.

10. **The Chairman** said that the letters containing the requests came to the Committee direct from the General Assembly and not via the Committee on Contributions. He did not know how many more requests might arrive.

11. **Mr. Abdullah** (Yemen) agreed with the representative of China that all States should receive equal treatment. The Committee should therefore give favourable consideration to the request of Bosnia and Herzegovina; such action would

not constitute a precedent. His delegation endorsed the suggestion just made by the representative of Uganda.

12. **Ms. Dinić** (Croatia) said that her delegation supported the request of Bosnia and Herzegovina. The Fifth Committee was certainly the best place for dealing with the general issue of requests for an exemption.

13. **Mr. Watanabe** (Japan) said that his delegation sympathized with Bosnia and Herzegovina in its difficult situation. It, too, supported the Ugandan suggestion that all the requests should be dealt with at once.

14. **Mr. Demir** (Turkey) supported the request of Bosnia and Herzegovina.

15. **Mr. Sial** (Pakistan) said that his delegation agreed with the representative of China on the need for equal treatment and supported the request. However, it would be better for the Committee to deal with such requests promptly as they came in.

16. **Mr. Schlesinger** (Austria) said that the European Union supported the Ugandan suggestion.

17. **Mr. Ahounou** (Côte d'Ivoire) said that the Committee had not followed the normal procedure when it had approved the requests for an exemption submitted by Guinea-Bissau and Georgia; on that occasion the Chairman had instead complied with the wishes of members. Although his delegation had sympathy for Bosnia and Herzegovina, it felt that the normal procedure should be followed in all cases.

18. **Ms. Buergo Rodriguez** (Cuba) said that the Committee should not take a selective approach to requests for an exemption. When the Committee had acceded to the requests submitted by Guinea-Bissau and Georgia, her delegation had stressed the need to establish a mechanism allowing for equitable consideration of such requests. There was no justification for handling the request of Bosnia and Herzegovina any differently from the two earlier requests; it should therefore be granted. The whole issue of exemptions should be discussed in depth under item 118.

19. **Mr. Darwish** (Egypt) said that his delegation endorsed the comments made by the representative of China on the need for equal treatment. Of the three procedural proposals that had been made, the Committee should opt for the one made by the representative of the United Republic of Tanzania and hold informal discussions on the issue.

20. **Mr. Abdullah** (Bahrain) supported the request submitted by Bosnia and Herzegovina.

21. **Mr. Zhang Wanhai** (China) said that his delegation endorsed the comments just made by the representative of Egypt.

22. **Mr. Mirmohamamad** (Islamic Republic of Iran) said that the Committee should accede to the request of Bosnia and Herzegovina just as it had acceded to those of Guinea-Bissau and Georgia. It could perhaps revert to the issue when it took up the report of the Committee on Contributions.

23. **Mr. Odaga-Jalomayo** (Uganda), clarifying his earlier remarks, said that, since another request for an exception to the application of Article 19 of the Charter was expected shortly, from the Congo, the Committee might save time by considering both requests together. While his delegation had never proposed that the scale of assessments should be considered as a package, the Committee was not obliged to grant an exception to a requesting State merely because it had previously done so for another State. Each case must be considered on its merits.

24. **Mr. Medina** (Morocco) noted that there was no reason for the Committee to defer its decision, since no objections had been raised to the request from Bosnia and Herzegovina.

25. **The Chairman** noted that there were opposing views on the matter and that three courses of action were possible. The Committee could take up the matter again later in the session in the context of its substantive consideration of the item of scale of assessments; or it could await the formal request from the Congo and consider both requests together; or, finally, it could take a decision on the matter at the current meeting. He would be guided by the Committee on how best to proceed.

26. **Mr. Sial** (Pakistan) noted that no substantive objections had been raised to the request from Bosnia and Herzegovina. He therefore supported the proposal of the representative of the United Republic of Tanzania that the meeting should be suspended briefly to enable a decision to be reached in informal consultations.

27. **Mr. Ahounou** (Côte d'Ivoire) supported the suggestion made by the representative of Uganda that the two requests should be considered together.

28. **Mr. Darwish** (Egypt) suggested that it might be helpful to get the views of the representative of Bosnia and Herzegovina on the matter.

29. **Ms. Topić** (Bosnia and Herzegovina) said that, even though the matter was one to which her Government attached the highest priority, in a spirit of accommodation, her delegation would be willing to return to the item in a day or two, by which time the Committee would have received the request from the Congo.

30. **The Chairman** said he took it that the Committee wished to defer consideration of the request from Bosnia and Herzegovina until later in the week, when it was expected

that a request would also have been received from the Congo.

31. *It was so decided.*

Agenda Item 114: Programme planning (*continued*) (A/53/6 (Prog.1, 2, 3, 5, 6, 7, 8, 13/Rev.1, 14, 15, 16, 17, 18, 20, 23 and Corr.1, 24 and Corr.1, 26, 27 and 28), A/53/16, A/53/90, A/53/122 and Add.1, A/53/133 and A/53/134)

32. **Mr. Atiyanto** (Indonesia), speaking on behalf of the Group of 77 and China, noted with satisfaction the spirit of compromise and political will which had enabled the Committee for Programme and Coordination (CPC) to make recommendations on all the issues it had considered.

33. In particular, he welcomed the recommendation that the role of CPC as the main subsidiary organ of the Economic and Social Council and of the General Assembly for planning, programming and coordination should be strengthened. He also welcomed the recommendation that priorities should continue to be established in the medium-term plan to guide the allocation of resources in the subsequent programme budgets. Once established by the General Assembly, those priorities could not be altered unless the General Assembly decided otherwise.

34. With regard to the proposed revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, the Group of 77 and China concurred with the conclusions and recommendations contained in Part Two, paragraphs 52 and 53, of the report of CPC (A/53/16).

35. With regard to the strengthening of the role of evaluation findings in programme design, delivery and policy directives, however, the Group of 77 and China regretted the fact that the Office of Internal Oversight Services guidelines on programme monitoring and evaluation did not conform to the Regulations and Rules Governing Programme Planning. The guidelines, moreover, should have been submitted to CPC for its consideration and approval before being issued to programme managers.

36. The Group of 77 and China noted the delay in the submission of the reports of the Secretary-General on programme performance of the United Nations for the biennium 1996-1997 (A/53/122 and Add.1). The reports, moreover, should have contained a better analysis of the implementation of the priority activities set out in the relevant medium-term plan, instead of relying so heavily on statistics and percentages. Also of concern was the low rate of implementation of mandated programmes and activities, an issue that needed to be addressed seriously.

37. The Group of 77 and China noted with concern the large number of outputs which had been terminated under the subprogrammes designated as high-priority areas. The Secretary-General's reports failed to explain why resources had not been redeployed to ensure a higher level of implementation. Sound and predictable ways must therefore be explored for financing the implementation of mandated programmes and activities which were priority areas in the medium-term plan.

38. Another matter of great concern was the termination of outputs because of the reduction in resources called for by the General Assembly, despite the latter's decision that the proposed savings should not affect the full implementation of mandated programmes and activities. The Group of 77 and China also noted with concern that some extrabudgetary activities had been financed from the regular budget.

39. The very high vacancy rate, which in some cases had reached nearly 40 per cent, had also contributed to the termination of programmes and activities, particularly in the regional commissions, the United Nations Centre for Human Settlements (Habitat) and the United Nations Environment Programme (UNEP). The Group of 77 and China strongly believed that the vacancy rate should not be used to achieve budgetary savings and that the General Assembly's decision to keep the vacancy rate at 6.4 per cent should be fully respected.

40. The Group of 77 and China was further concerned about the observation contained in paragraph 65 of the Secretary-General's report (A/53/122) that the ongoing efforts aimed at introducing the concept of results-oriented budgeting were a step in the right direction. In its view, such a position was an attempt to prejudge the outcome of negotiations in the General Assembly on the proposal.

41. Lastly, the Group of 77 and China sought clarification of the statement contained in paragraph 29.1 of document A/52/122/Add.1 that, in spite of its operational independence, the Office of Internal Oversight Services could not avoid being affected by the precarious financial situation of the Organization.

42. **Ms. Chen Yue** (China) said that her delegation attached great importance to the strengthening of the role of CPC in planning, programming and coordination. Thanks to the spirit of accommodation shown by its members, CPC had been able to reach consensus on the important issues which it had considered. She hoped that the same spirit would be displayed by members of the Fifth Committee as they debated the report.

The meeting rose at 4.15 p.m.